



FISCAL YEAR 2014-15 PROPOSED BUDGET

Public Hearing
June 10, 2014



ACTIONS TO DATE

- February 11: Fiscal Year 2013-14 Midyear Budget Status Report and Fiscal Year 2014-15 Preliminary General Operating Fund Forecast
- March 18/
March 25 Initial presentations and discussions of proposed Capital Improvement Program
- April 29: FY 2014-15 Narrative Budget Report and confirmation of City Council Goals
- May 20: Proposed Capital Improvement Program Study Session



ESTIMATED FY 2013-14 GOF CARRYOVER

Total Estimated Balance Available	<u>6,545</u>
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Proposed Allocations:

Non-discretionary:

Limited-Period Expenditures	(1,115)
General Fund Reserve ⁽¹⁾	(220)
Compensated Absences Reserve	(1,200)
Workers' Compensation Reserve	(300)

Discretionary:

Capital Improvement Reserve ⁽²⁾	(1,710)
Retirees' Health OPEB	(1,000)
PERS	(1,000)

Total Recommended Allocations	<u>(6,545)</u>
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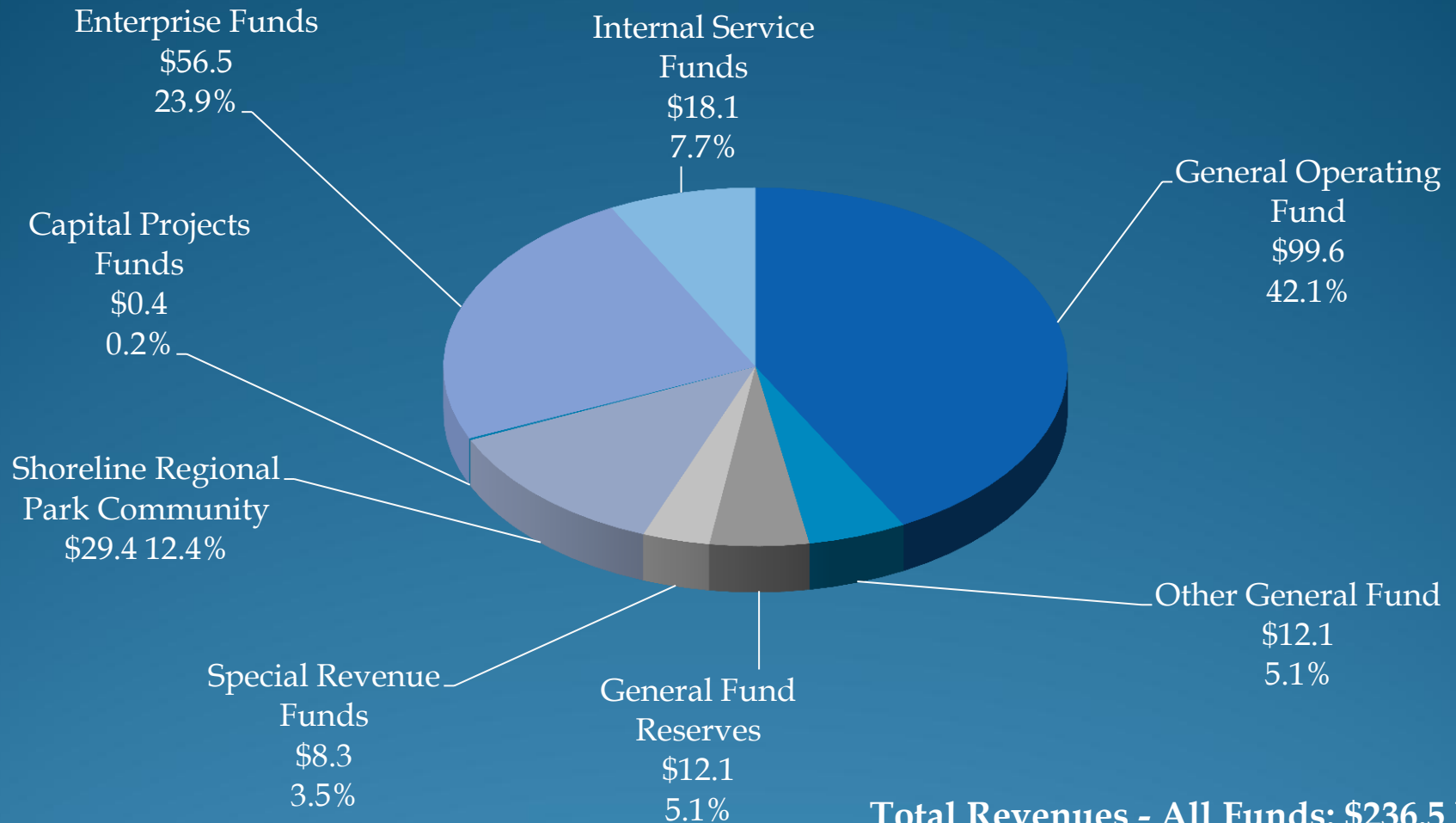
Estimated Remaining Balance Available	\$ <u>-0-</u>
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(1) To be determined with the Adopted Budget.

(2) Based on actual balance available after the fiscal year-end close.

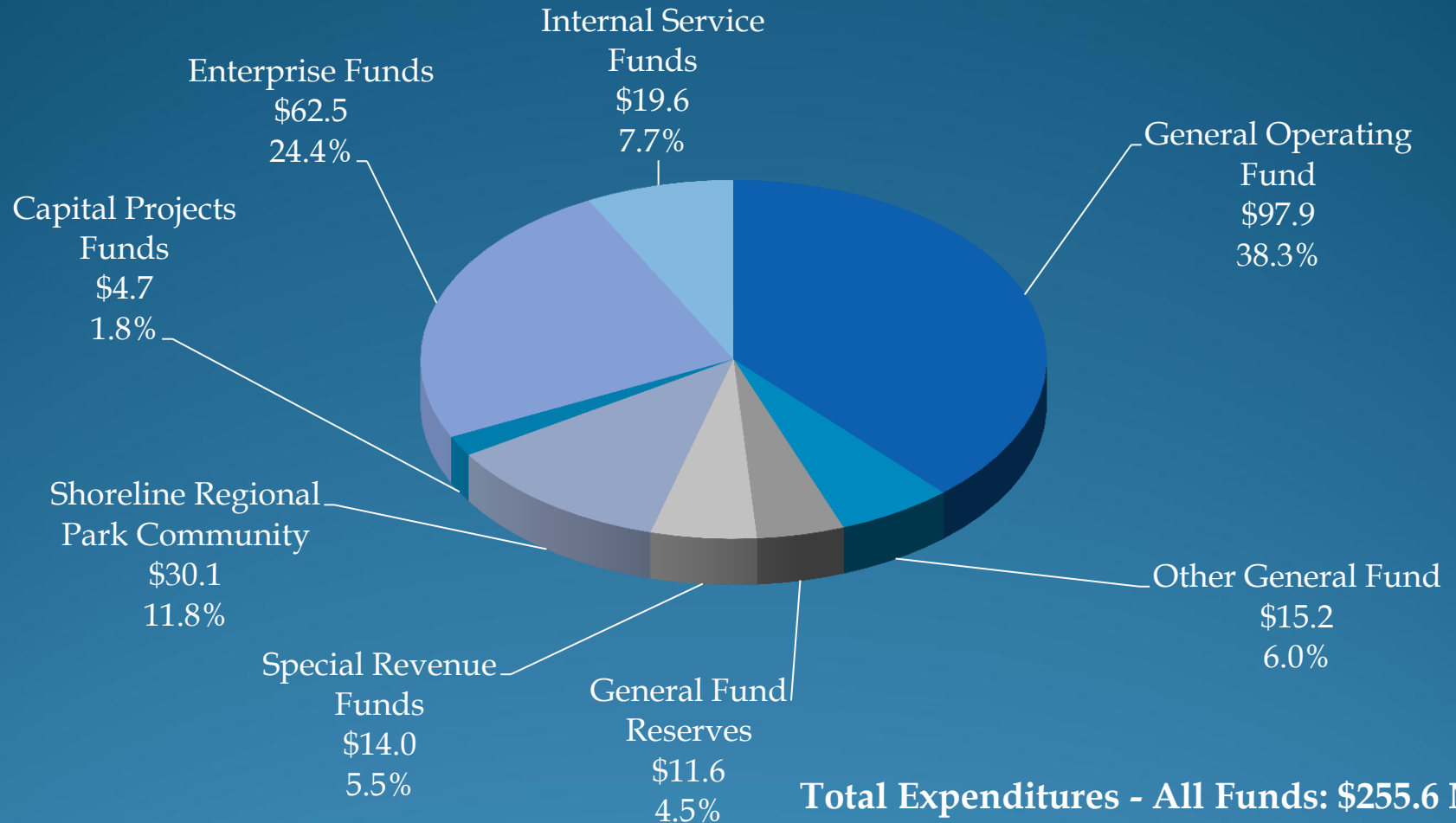
(dollars in thousands)

FY 2014-15 PROPOSED REVENUES – ALL FUNDS



(dollars in millions)

FY 2014-15 PROPOSED EXPENDITURES – ALL FUNDS



(dollars in millions)



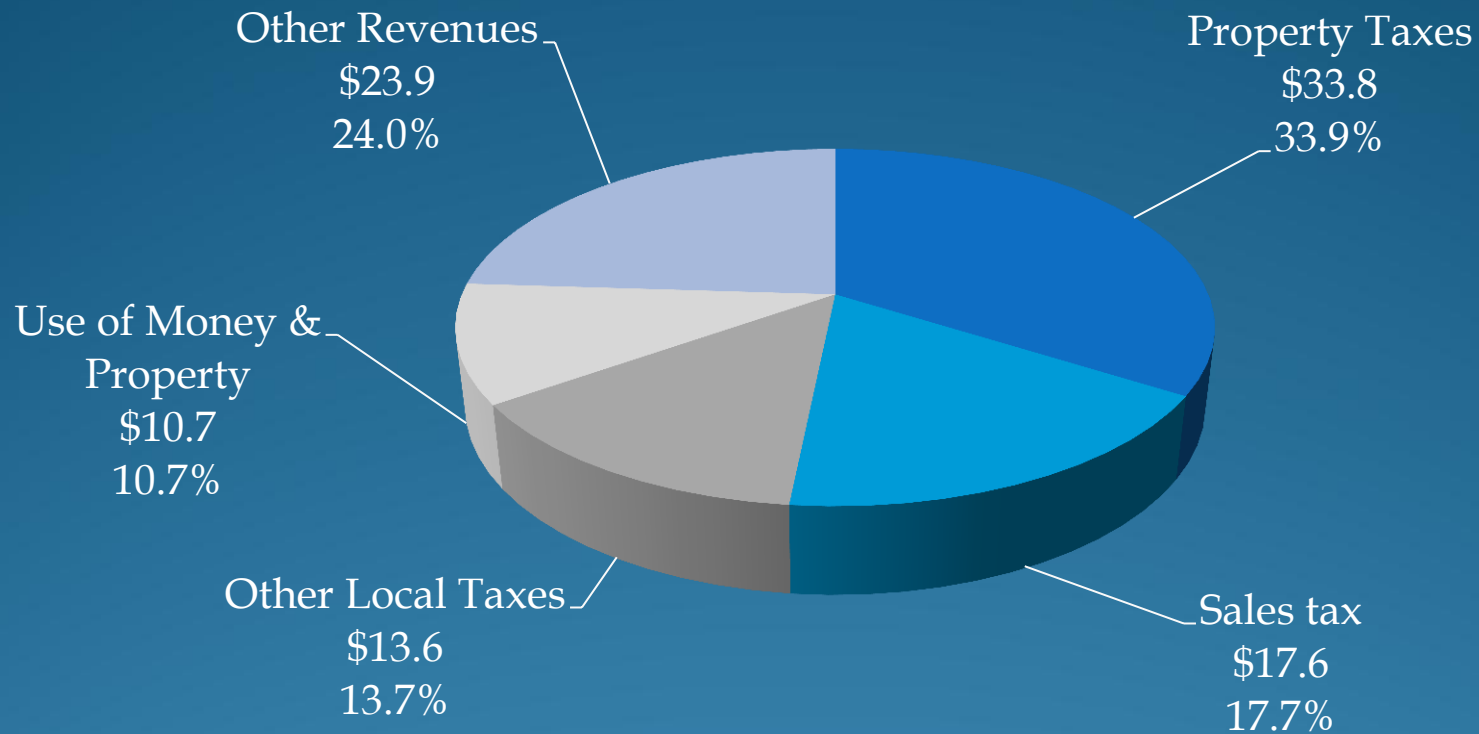
GENERAL OPERATING FUND BUDGET

		2012-13 <u>Audited</u>	2013-14 <u>Adopted</u>	2013-14 <u>Estimated</u>	2014-15 <u>Proposed</u>
Revenues	\$	96,811	97,567	100,992	99,644
Expenditures ¹		(93,041)	(95,276)	(96,215)	(96,947)
Operating Balance		3,770	2,291	4,777	2,697
Transfer to:					
General Non-Op Fund		(2,970)	-0-	(4,557)	-0-
General Fund Reserve		(800)	-0-	(220)	-0-
OPEB Funding		<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>(1,000)</u>
Ending Balance	\$	-0-	2,291	-0-	1,697

(dollars in thousands)

¹2013-14 Adopted and 2014-15 Proposed Expenditures include estimated budget savings.

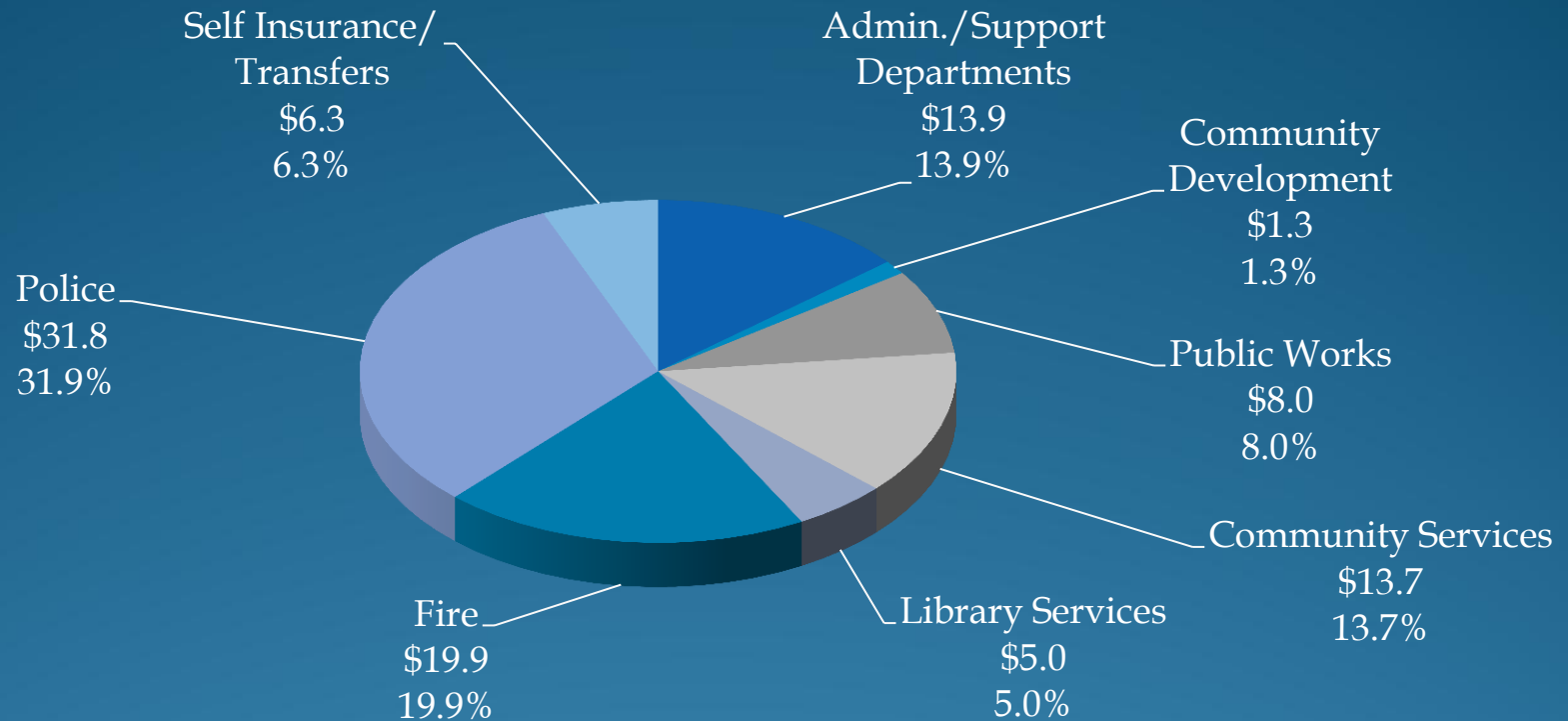
GENERAL OPERATING FUND FY 2014-15 REVENUES



Total General Operating Fund Revenues: \$99.6 M

(dollars in millions)

GENERAL OPERATING FUND FY 2014-15 EXPENDITURES



Total General Operating Fund Expenditures¹: \$99.9 M

¹Does not include anticipated budget savings of \$2.0 million but does include the \$1.0 million transfer to Retirees' Health liability.



CHANGES FROM THE NARRATIVE BUDGET

- Housing Boomerang Funds (LP) \$ 191,800
- Potential Charter Amendment for Council Compensation (LP) 67,000
- Wind Down of Energy Upgrade Mountain View Program (LP) 35,000
- Community Choice Aggregation (LP) 30,000
- PG&E Costs for Parking Structure (Parking Fund) (Ongoing) 13,200
- Newly Elected Council Per-Term Allowance (LP) 11,400
- Sister City (40th Anniversary and Community Sponsorship) (LP) 5,500



FY 2014-15 BUDGET PROPOSED GOF BUDGET CHANGES

- Non-Discretionary Increases: \$ 367,200
- Key components include:
 - City Utility Costs \$218,800
 - PG&E Cost Increase \$110,000



FY 2014-15 BUDGET PROPOSED GOF BUDGET CHANGES

- Discretionary Increases: \$210,900
- Key components include:
 - Amphitheater/Special Events¹ \$67,800
 - City-Wide Event Programming¹ \$41,000
 - Library Materials \$25,000
 - Aquatics Staffing¹ \$21,000
 - PERS Health Program Admin. Fee \$12,000

¹Cost offset by revenue



FY 2014-15 BUDGET PROPOSED GOF BUDGET CHANGES

- Limited-Period: \$1,114,600
- Key components include:
 - Firefighter Recruits \$187,500
 - November 2014 Election \$167,000
 - Mobility Coordinator Position \$150,000
 - Associate Civil Engineer – Traffic Position \$110,500
 - Communications Coordinator Position (Continuation) \$70,000
 - Financial Analyst I/II Position (0.25) (Continuation) \$35,000



OTHER FUNDS

- Development Services
 - Consolidation of all development-related services
 - Development activity remains strong
- Shoreline Golf Links
 - Financial status of the golf course continues to improve
- Shoreline Regional Park Community
 - Strong financial position
 - Refinancing of 2001 and 2004 Tax Allocation Bonds (TABs)
 - Long-term financial obligations



PROPOSED UTILITY RATES

- Water: 7.0 percent rate increase for average cost of water, 2.4 percent increase for meter rates and recycled water
- Wastewater: 4.0 percent rate increase proposed (2.0 percent for PARWQCP Long-term Plan)
- Solid Waste: 2.0 percent average rate increase proposed (3.0 percent for carts, debris boxes, and compactors; 1.0 percent for bins)



OTHER ITEMS

- Narrative Budget Follow-Up
- Fee Modifications
- City Council Major Goals

CITY COUNCIL MAJOR GOALS OUTLINE



- Council reviewed initial list at Narrative Budget
- Council Advisory Body input
- Department review of workload
- Council direction on final list of Major Goals and Department Initiatives



CITY COUNCIL MAJOR GOALS

- Retain and Improve Green Space and Canopy
 - 3 new goals recommended
- Improve Bicycle and Pedestrian Mobility
 - 6 of 7 new goals recommended
- Technology
 - 9 of 12 new goals recommended



REQUESTED BY COUNCIL

Potential New Goals

- Minimum Wage (CAO, CMO)
- Condo Conversion Ordinance amendment (CAO, CDD)
- Feasibility study for safer bike lanes – Shoreline Blvd from El Camino Real to Wright Ave and study to extend to Montecito Avenue (PWD)



PUBLIC INPUT AND COUNCIL DIRECTION

- Proposed Operating Budget
- Utility Rates
- Fee Modifications
- Narrative Budget Follow-Up
- City Council Major Goals



NEXT STEPS

- June 17th Public Hearings:
 - Utility Rates Prop 218 Hearing
 - Fees, Goals, Budget and CIP Adoption